| Enrolled Copy | S.B. 76 |
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| 1 | WATER AMENDMENTS |
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| 2 | 2023 GENERAL SESSION |
| 3 | STATE OF UTAH |
| 4 | Chief Sponsor: Scott D. Sandall |
| 5 | House Sponsor: Casey Snider |
| 6 7 | LONG TITLE |
| 8 | General Description: |
| 9 | This bill addresses coordination of planning related to water. |
| 10 | Highlighted Provisions: |
| 11 | This bill: |
| 12 | provides for a study; |
| 13 | addresses grants for environmental improvement projects; |
| 14 | requires certain municipal and county planning commissions to consult with the |
| 15 | Division of Water Resources in development of general plans; |
| 16 | addresses consultation with the Department of Agriculture and Food; |
| 17 | requires notification of irrigation and canal companies in certain circumstances; |
| 18 | requires counties to notify certain public water systems and request feedback on |
| 19 | how elements of the general plan affect certain water planning; |
| 20 | requires counties to consider planning for regionalization of public water systems; |
| 21 | provides for action by the director of the Division of Drinking Water to establish |
| 22 | regional source and storage minimum sizing standards or adjust system-specific |
| 23 | sizing standards; |
| 24 | addresses a change application by a shareholder of a water company; |
| 25 | provides what may be included in a water conservation plan; |
| 26 | modifies requirements related to the Division of Water Resources making rules for |
| 27 | regional water conservation goals; |
| 28 | requires the Division of Water Resources to consult with watershed councils under |
| 29 | certain circumstances; |

| 30 | changes the membership of the Water Development Coordinating Council; |
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| 31 | directs the Water Development Coordinating Council to take actions related to the |
| 32 | coordination of growth and conservation planning; and |
| 33 | makes technical changes. |
| 34 | Money Appropriated in this Bill: |
| 35 | This bill appropriates in fiscal year 2024: |
| 36 | ► to the Department of Natural Resources Water Resources Planning, as a |
| 37 | one-time appropriation: |
| 38 | • from the General Fund, One-time, \$500,000; |
| 39 | ► to the Department of Natural Resources Water Resources Planning, as an |
| 40 | ongoing appropriation: |
| 41 | • from the General Fund, \$130,000; |
| 42 | ► to the Department of Environmental Quality – Drinking Water, System Assistance, |
| 43 | as an ongoing appropriation: |
| 44 | • from the General Fund, \$130,000; and |
| 45 | ► to the Department of Agriculture and Food Resource Conservation, as an ongoing |
| 46 | appropriation: |
| 47 | • from the General Fund, \$130,000. |
| 48 | Other Special Clauses: |
| 49 | This bill provides a special effective date. |
| 50 | Utah Code Sections Affected: |
| 51 | AMENDS: |
| 52 | 4-18-108, as last amended by Laws of Utah 2022, Chapter 79 |
| 53 | 10-9a-403, as last amended by Laws of Utah 2022, Chapters 282, 406 and last amended |
| 54 | by Coordination Clause, Laws of Utah 2022, Chapter 406 |
| 55 | 17-27a-403, as last amended by Laws of Utah 2022, Chapters 282, 406 |
| 56 | 19-4-106, as last amended by Laws of Utah 2020, Chapter 256 |
| 57 | 19-4-114, as last amended by Laws of Utah 2020, Chapter 256 |

Enrolled Copy S.B. 76 58 73-3-3.5, as last amended by Laws of Utah 2015, Chapter 249 59 73-10-32, as last amended by Laws of Utah 2022, Chapter 90 60 73-10-36, as enacted by Laws of Utah 2022, Chapter 282 73-10c-3, as last amended by Laws of Utah 2022, Chapter 66 61 **ENACTS:** 62 63 **73-10c-11**, Utah Code Annotated 1953 64 *Be it enacted by the Legislature of the state of Utah:* 65 66 Section 1. Section **4-18-108** is amended to read: 67 4-18-108. Grants for environmental improvement projects -- Criteria for award -- Duties of commission. 68 69 (1) The commission may make a grant from the Agriculture Resource Development 70 Fund, or from funds appropriated by the federal government, Legislature, or another entity, to 71 an eligible entity, as defined by the department by rule made in accordance with Title 63G, 72 Chapter 3, Utah Administrative Rulemaking Act, for: 73 (a) control or eradication of noxious weeds and invasive plant species in cooperation 74 and coordination with a local weed board; 75 (b) the costs of plans or projects to improve manure management, control surface water 76 runoff, or address other environmental issues on a farm or ranch operation, including the costs 77 of preparing or implementing a nutrient management plan; (c) the improvement of water quality; 78 79 (d) the improvement of water quantity and flows; 80 [(d)] (e) the development of watershed plans; or 81 [(e)] (f) a program to address other environmental issues. 82 (2) (a) In awarding a grant, the commission shall consider the following criteria: 83 (i) the ability of the grantee to pay for the costs of proposed plans or projects;

(A) matching funds provided by the grantee or another source; or

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(ii) the availability of:

86 (B) material, labor, or other items of value provided in lieu of money by the grantee or 87 another source; and 88 (iii) the benefits that accrue to the general public by the awarding of a grant. 89 (b) The commission may establish by rule additional criteria for the awarding of a 90 grant. 91 (3) The commission shall make rules in accordance with Title 63G, Chapter 3, Utah 92 Administrative Rulemaking Act, to implement this section. 93 (4) The commission may appoint an advisory board to: 94 (a) assist with the grant process; 95 (b) make recommendations to the commission regarding grants; and 96 (c) establish policies and procedures for awarding loans or grants. 97 Section 2. Section **10-9a-403** is amended to read: 98 10-9a-403. General plan preparation. 99 (1) (a) The planning commission shall provide notice, as provided in Section 100 10-9a-203, of the planning commission's intent to make a recommendation to the municipal 101 legislative body for a general plan or a comprehensive general plan amendment when the 102 planning commission initiates the process of preparing the planning commission's 103 recommendation. 104 (b) The planning commission shall make and recommend to the legislative body a proposed general plan for the area within the municipality. 105 106 (c) The plan may include areas outside the boundaries of the municipality if, in the 107 planning commission's judgment, those areas are related to the planning of the municipality's 108 territory. 109 (d) Except as otherwise provided by law or with respect to a municipality's power of 110 eminent domain, when the plan of a municipality involves territory outside the boundaries of

- the municipality, the municipality may not take action affecting that territory without the concurrence of the county or other municipalities affected.
 - (2) (a) At a minimum, the proposed general plan, with the accompanying maps, charts,

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and descriptive and explanatory matter, shall include the planning commission's recommendations for the following plan elements:

(i) a land use element that:

- (A) designates the long-term goals and the proposed extent, general distribution, and location of land for housing for residents of various income levels, business, industry, agriculture, recreation, education, public buildings and grounds, open space, and other categories of public and private uses of land as appropriate;
 - (B) includes a statement of the projections for and standards of population density and building intensity recommended for the various land use categories covered by the plan;
 - (C) except for a city of the fifth class or a town, is coordinated to integrate the land use element with the water use and preservation element; and
 - (D) except for a city of the fifth class or a town, accounts for the effect of land use categories and land uses on water demand;
 - (ii) a transportation and traffic circulation element that:
 - (A) provides the general location and extent of existing and proposed freeways, arterial and collector streets, public transit, active transportation facilities, and other modes of transportation that the planning commission considers appropriate;
 - (B) for a municipality that has access to a major transit investment corridor, addresses the municipality's plan for residential and commercial development around major transit investment corridors to maintain and improve the connections between housing, employment, education, recreation, and commerce;
 - (C) for a municipality that does not have access to a major transit investment corridor, addresses the municipality's plan for residential and commercial development in areas that will maintain and improve the connections between housing, transportation, employment, education, recreation, and commerce; and
 - (D) correlates with the population projections, the employment projections, and the proposed land use element of the general plan;
 - (iii) for a specified municipality as defined in Section 10-9a-408, a moderate income

142 housing element that:

- (A) provides a realistic opportunity to meet the need for additional moderate income housing within the next five years;
- (B) selects three or more moderate income housing strategies described in Subsection (2)(b)(iii) for implementation, including one additional moderate income housing strategy as provided in Subsection (2)(b)(iv) for a specified municipality that has a fixed guideway public transit station; and
 - (C) includes an implementation plan as provided in Subsection (2)(c); and
- (iv) except for a city of the fifth class or a town, a water use and preservation element that addresses:
- (A) the effect of permitted development or patterns of development on water demand and water infrastructure;
- (B) methods of reducing water demand and per capita consumption for future development;
- (C) methods of reducing water demand and per capita consumption for existing development; and
- (D) opportunities for the municipality to modify the municipality's operations to eliminate practices or conditions that waste water.
 - (b) In drafting the moderate income housing element, the planning commission:
- (i) shall consider the Legislature's determination that municipalities shall facilitate a reasonable opportunity for a variety of housing, including moderate income housing:
- (A) to meet the needs of people of various income levels living, working, or desiring to live or work in the community; and
- (B) to allow people with various incomes to benefit from and fully participate in all aspects of neighborhood and community life;
- (ii) for a town, may include, and for a specified municipality as defined in Section 10-9a-408, shall include, an analysis of how the municipality will provide a realistic opportunity for the development of moderate income housing within the next five years;

170 (iii) for a town, may include, and for other municipalities, shall include, a 171 recommendation to implement three or more of the following moderate income housing 172 strategies: 173 (A) rezone for densities necessary to facilitate the production of moderate income 174 housing; 175 (B) demonstrate investment in the rehabilitation or expansion of infrastructure that 176 facilitates the construction of moderate income housing; 177 (C) demonstrate investment in the rehabilitation of existing uninhabitable housing 178 stock into moderate income housing; 179 (D) identify and utilize general fund subsidies or other sources of revenue to waive construction related fees that are otherwise generally imposed by the municipality for the 180 181 construction or rehabilitation of moderate income housing; 182 (E) create or allow for, and reduce regulations related to, internal or detached accessory 183 dwelling units in residential zones; 184 (F) zone or rezone for higher density or moderate income residential development in 185 commercial or mixed-use zones near major transit investment corridors, commercial centers, or 186 employment centers; 187 (G) amend land use regulations to allow for higher density or new moderate income 188 residential development in commercial or mixed-use zones near major transit investment 189 corridors; 190 (H) amend land use regulations to eliminate or reduce parking requirements for residential development where a resident is less likely to rely on the resident's own vehicle. 191 192 such as residential development near major transit investment corridors or senior living 193 facilities;

- (I) amend land use regulations to allow for single room occupancy developments;
- (J) implement zoning incentives for moderate income units in new developments;
- 196 (K) preserve existing and new moderate income housing and subsidized units by 197 utilizing a landlord incentive program, providing for deed restricted units through a grant

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program, or, notwithstanding Section 10-9a-535, establishing a housing loss mitigation fund;

- (L) reduce, waive, or eliminate impact fees related to moderate income housing;
- (M) demonstrate creation of, or participation in, a community land trust program for moderate income housing;
- (N) implement a mortgage assistance program for employees of the municipality, an employer that provides contracted services to the municipality, or any other public employer that operates within the municipality;
- (O) apply for or partner with an entity that applies for state or federal funds or tax incentives to promote the construction of moderate income housing, an entity that applies for programs offered by the Utah Housing Corporation within that agency's funding capacity, an entity that applies for affordable housing programs administered by the Department of Workforce Services, an entity that applies for affordable housing programs administered by an association of governments established by an interlocal agreement under Title 11, Chapter 13, Interlocal Cooperation Act, an entity that applies for services provided by a public housing authority to preserve and create moderate income housing, or any other entity that applies for programs or services that promote the construction or preservation of moderate income housing;
- (P) demonstrate utilization of a moderate income housing set aside from a community reinvestment agency, redevelopment agency, or community development and renewal agency to create or subsidize moderate income housing;
- (Q) create a housing and transit reinvestment zone pursuant to Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act;
- (R) eliminate impact fees for any accessory dwelling unit that is not an internal accessory dwelling unit as defined in Section 10-9a-530;
 - (S) create a program to transfer development rights for moderate income housing;
- (T) ratify a joint acquisition agreement with another local political subdivision for the purpose of combining resources to acquire property for moderate income housing;
- 225 (U) develop a moderate income housing project for residents who are disabled or 55

| 226 | years old or older; |
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| 227 | (V) develop and adopt a station area plan in accordance with Section 10-9a-403.1; |
| 228 | (W) create or allow for, and reduce regulations related to, multifamily residential |
| 229 | dwellings compatible in scale and form with detached single-family residential dwellings and |
| 230 | located in walkable communities within residential or mixed-use zones; and |
| 231 | (X) demonstrate implementation of any other program or strategy to address the |
| 232 | housing needs of residents of the municipality who earn less than 80% of the area median |
| 233 | income, including the dedication of a local funding source to moderate income housing or the |
| 234 | adoption of a land use ordinance that requires 10% or more of new residential development in a |
| 235 | residential zone be dedicated to moderate income housing; and |
| 236 | (iv) in addition to the recommendations required under Subsection (2)(b)(iii), for a |
| 237 | municipality that has a fixed guideway public transit station, shall include a recommendation to |
| 238 | implement: |
| 239 | (A) the strategy described in Subsection (2)(b)(iii)(V); and |
| 240 | (B) a strategy described in Subsection (2)(b)(iii)(G), (H), or (Q). |
| 241 | (c) (i) In drafting the implementation plan portion of the moderate income housing |
| 242 | element as described in Subsection (2)(a)(iii)(C), the planning commission shall establish a |
| 243 | timeline for implementing each of the moderate income housing strategies selected by the |
| 244 | municipality for implementation. |
| 245 | (ii) The timeline described in Subsection (2)(c)(i) shall: |
| 246 | (A) identify specific measures and benchmarks for implementing each moderate |
| 247 | income housing strategy selected by the municipality, whether one-time or ongoing; and |
| 248 | (B) provide flexibility for the municipality to make adjustments as needed. |
| 249 | (d) In drafting the land use element, the planning commission shall: |
| 250 | (i) identify and consider each agriculture protection area within the municipality; |
| 251 | (ii) avoid proposing a use of land within an agriculture protection area that is |

(iii) consider and coordinate with any station area plans adopted by the municipality if

inconsistent with or detrimental to the use of the land for agriculture; and

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| 254 | required under Section 10-9a-403.1. |
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| 255 | (e) In drafting the transportation and traffic circulation element, the planning |
| 256 | commission shall: |
| 257 | (i) (A) consider and coordinate with the regional transportation plan developed by the |
| 258 | municipality's region's metropolitan planning organization, if the municipality is within the |
| 259 | boundaries of a metropolitan planning organization; or |
| 260 | (B) consider and coordinate with the long-range transportation plan developed by the |
| 261 | Department of Transportation, if the municipality is not within the boundaries of a |
| 262 | metropolitan planning organization; and |
| 263 | (ii) consider and coordinate with any station area plans adopted by the municipality if |
| 264 | required under Section 10-9a-403.1. |
| 265 | (f) In drafting the water use and preservation element, the planning commission: |
| 266 | (i) shall consider: |
| 267 | (A) applicable regional water conservation goals recommended by the Division of |
| 268 | Water Resources; and |
| 269 | (B) if Section 73-10-32 requires the municipality to adopt a water conservation plan |
| 270 | pursuant to Section 73-10-32, the municipality's water conservation plan; |
| 271 | (ii) shall include a recommendation for: |
| 272 | (A) water conservation policies to be determined by the municipality; and |
| 273 | (B) landscaping options within a public street for current and future development that |
| 274 | do not require the use of lawn or turf in a parkstrip; |
| 275 | (iii) shall review the municipality's land use ordinances and include a recommendation |
| 276 | for changes to an ordinance that promotes the inefficient use of water; |
| 277 | (iv) shall consider principles of sustainable landscaping, including the: |
| 278 | (A) reduction or limitation of the use of lawn or turf; |
| 279 | (B) promotion of site-specific landscape design that decreases stormwater runoff or |
| 280 | runoff of water used for irrigation: |

(C) preservation and use of healthy trees that have a reasonable water requirement or

282 are resistant to dry soil conditions; 283 (D) elimination or regulation of ponds, pools, and other features that promote 284 unnecessary water evaporation; 285 (E) reduction of yard waste; and 286 (F) use of an irrigation system, including drip irrigation, best adapted to provide the 287 optimal amount of water to the plants being irrigated; 288 (v) shall consult with the public water system or systems serving the municipality with 289 drinking water regarding how implementation of the land use element and water use and 290 preservation element may affect: 291 (A) water supply planning, including drinking water source and storage capacity 292 consistent with Section 19-4-114; and 293 (B) water distribution planning, including master plans, infrastructure asset 294 management programs and plans, infrastructure replacement plans, and impact fee facilities 295 plans; 296 (vi) shall consult with the Division of Water Resources for information and technical 297 resources regarding regional water conservation goals, including how implementation of the 298 land use element and the water use and preservation element may affect the Great Salt Lake; 299 [(vi)] (vii) may include recommendations for additional water demand reduction 300 strategies, including: 301 (A) creating a water budget associated with a particular type of development; (B) adopting new or modified lot size, configuration, and landscaping standards that 302 303 will reduce water demand for new single family development: 304 (C) providing one or more water reduction incentives for existing development such as 305 modification of existing landscapes and irrigation systems and installation of water fixtures or 306 systems that minimize water demand;

(E) adopting water concurrency standards requiring that adequate water supplies and

account for water use or do not include strategies for reducing water demand; and

(D) discouraging incentives for economic development activities that do not adequately

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| 310 | facilities are or will be in place for new development; and |
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| 311 | [(vii)] (viii) for a town, may include, and for another municipality, shall include, a |
| 312 | recommendation for low water use landscaping standards for a new: |
| 313 | (A) commercial, industrial, or institutional development; |
| 314 | (B) common interest community, as defined in Section 57-25-102; or |
| 315 | (C) multifamily housing project. |
| 316 | (3) The proposed general plan may include: |
| 317 | (a) an environmental element that addresses: |
| 318 | (i) the protection, conservation, development, and use of natural resources, including |
| 319 | the quality of: |
| 320 | (A) air; |
| 321 | (B) forests; |
| 322 | (C) soils; |
| 323 | (D) rivers; |
| 324 | (E) groundwater and other waters; |
| 325 | (F) harbors; |
| 326 | (G) fisheries; |
| 327 | (H) wildlife; |
| 328 | (I) minerals; and |
| 329 | (J) other natural resources; and |
| 330 | (ii) (A) the reclamation of land, flood control, prevention and control of the pollution |
| 331 | of streams and other waters; |
| 332 | (B) the regulation of the use of land on hillsides, stream channels and other |
| 333 | environmentally sensitive areas; |
| 334 | (C) the prevention, control, and correction of the erosion of soils; |
| 335 | (D) the preservation and enhancement of watersheds and wetlands; and |
| 336 | (E) the mapping of known geologic hazards; |
| 337 | (b) a public services and facilities element showing general plans for sewage water |

338 waste disposal, drainage, public utilities, rights-of-way, easements, and facilities for them, 339 police and fire protection, and other public services; 340 (c) a rehabilitation, redevelopment, and conservation element consisting of plans and 341 programs for: 342 (i) historic preservation; (ii) the diminution or elimination of a development impediment as defined in Section 343 344 17C-1-102; and 345 (iii) redevelopment of land, including housing sites, business and industrial sites, and 346 public building sites; 347 (d) an economic element composed of appropriate studies and forecasts, as well as an 348 economic development plan, which may include review of existing and projected municipal 349 revenue and expenditures, revenue sources, identification of basic and secondary industry, 350 primary and secondary market areas, employment, and retail sales activity; 351 (e) recommendations for implementing all or any portion of the general plan, including 352 the adoption of land and water use ordinances, capital improvement plans, community 353 development and promotion, and any other appropriate action; 354 (f) provisions addressing any of the matters listed in Subsection 10-9a-401(2) or (3); 355 and 356 (g) any other element the municipality considers appropriate. 357 Section 3. Section 17-27a-403 is amended to read: 17-27a-403. Plan preparation. 358 359 (1) (a) The planning commission shall provide notice, as provided in Section 360 17-27a-203, of the planning commission's intent to make a recommendation to the county 361 legislative body for a general plan or a comprehensive general plan amendment when the planning commission initiates the process of preparing the planning commission's 362 363 recommendation. 364 (b) The planning commission shall make and recommend to the legislative body a 365 proposed general plan for:

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| 366 | (i) the unincorporated area within the county; or |
| 367 | (ii) if the planning commission is a planning commission for a mountainous planning |
| 368 | district, the mountainous planning district. |
| 369 | (c) (i) The plan may include planning for incorporated areas if, in the planning |
| 370 | commission's judgment, they are related to the planning of the unincorporated territory or of |
| 371 | the county as a whole. |
| 372 | (ii) Elements of the county plan that address incorporated areas are not an official plan |
| 373 | or part of a municipal plan for any municipality, unless the county plan is recommended by the |
| 374 | municipal planning commission and adopted by the governing body of the municipality. |
| 375 | (2) (a) At a minimum, the proposed general plan, with the accompanying maps, charts, |
| 376 | and descriptive and explanatory matter, shall include the planning commission's |
| 377 | recommendations for the following plan elements: |
| 378 | (i) a land use element that: |
| 379 | (A) designates the long-term goals and the proposed extent, general distribution, and |
| 380 | location of land for housing for residents of various income levels, business, industry, |
| 381 | agriculture, recreation, education, public buildings and grounds, open space, and other |
| 382 | categories of public and private uses of land as appropriate; |
| 383 | (B) includes a statement of the projections for and standards of population density and |
| 384 | building intensity recommended for the various land use categories covered by the plan; |
| 385 | (C) is coordinated to integrate the land use element with the water use and preservation |
| 386 | element; and |
| 387 | (D) accounts for the effect of land use categories and land uses on water demand; |
| 388 | (ii) a transportation and traffic circulation element that: |
| 389 | (A) provides the general location and extent of existing and proposed freeways, arterial |
| 390 | and collector streets, public transit, active transportation facilities, and other modes of |

(B) addresses the county's plan for residential and commercial development around major transit investment corridors to maintain and improve the connections between housing,

transportation that the planning commission considers appropriate;

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| 394 | employment, education, recreation, and commerce; and |
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| 395 | (C) correlates with the population projections, the employment projections, and the |
| 396 | proposed land use element of the general plan; |
| 397 | (iii) for a specified county as defined in Section 17-27a-408, a moderate income |
| 398 | housing element that: |
| 399 | (A) provides a realistic opportunity to meet the need for additional moderate income |
| 400 | housing within the next five years; |
| 401 | (B) selects three or more moderate income housing strategies described in Subsection |
| 402 | (2)(b)(ii) for implementation; <u>and</u> |
| 403 | (C) includes an implementation plan as provided in Subsection (2)(e); |
| 404 | (iv) a resource management plan detailing the findings, objectives, and policies |
| 405 | required by Subsection 17-27a-401(3); and |
| 406 | (v) a water use and preservation element that addresses: |
| 407 | (A) the effect of permitted development or patterns of development on water demand |
| 408 | and water infrastructure; |
| 409 | (B) methods of reducing water demand and per capita consumption for future |
| 410 | development; |
| 411 | (C) methods of reducing water demand and per capita consumption for existing |
| 412 | development; and |
| 413 | (D) opportunities for the county to modify the county's operations to eliminate |
| 414 | practices or conditions that waste water. |
| 415 | (b) In drafting the moderate income housing element, the planning commission: |
| 416 | (i) shall consider the Legislature's determination that counties should facilitate a |
| 417 | reasonable opportunity for a variety of housing, including moderate income housing: |
| 418 | (A) to meet the needs of people of various income levels living, working, or desiring to |
| 419 | live or work in the community; and |
| 420 | (B) to allow people with various incomes to benefit from and fully participate in all |
| 421 | aspects of neighborhood and community life; and |

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(ii) shall include an analysis of how the county will provide a realistic opportunity for the development of moderate income housing within the planning horizon, including a recommendation to implement three or more of the following moderate income housing strategies: (A) rezone for densities necessary to facilitate the production of moderate income housing; (B) demonstrate investment in the rehabilitation or expansion of infrastructure that facilitates the construction of moderate income housing; (C) demonstrate investment in the rehabilitation of existing uninhabitable housing stock into moderate income housing; (D) identify and utilize county general fund subsidies or other sources of revenue to waive construction related fees that are otherwise generally imposed by the county for the construction or rehabilitation of moderate income housing: (E) create or allow for, and reduce regulations related to, internal or detached accessory dwelling units in residential zones; (F) zone or rezone for higher density or moderate income residential development in commercial or mixed-use zones, commercial centers, or employment centers; (G) amend land use regulations to allow for higher density or new moderate income residential development in commercial or mixed-use zones near major transit investment corridors; (H) amend land use regulations to eliminate or reduce parking requirements for residential development where a resident is less likely to rely on the resident's own vehicle. such as residential development near major transit investment corridors or senior living facilities; (I) amend land use regulations to allow for single room occupancy developments;

(J) implement zoning incentives for moderate income units in new developments;

(K) preserve existing and new moderate income housing and subsidized units by

utilizing a landlord incentive program, providing for deed restricted units through a grant

program, or establishing a housing loss mitigation fund;

- (L) reduce, waive, or eliminate impact fees related to moderate income housing,
- (M) demonstrate creation of, or participation in, a community land trust program for moderate income housing;
- (N) implement a mortgage assistance program for employees of the county, an employer that provides contracted services for the county, or any other public employer that operates within the county;
- (O) apply for or partner with an entity that applies for state or federal funds or tax incentives to promote the construction of moderate income housing, an entity that applies for programs offered by the Utah Housing Corporation within that agency's funding capacity, an entity that applies for affordable housing programs administered by the Department of Workforce Services, an entity that applies for services provided by a public housing authority to preserve and create moderate income housing, or any other entity that applies for programs or services that promote the construction or preservation of moderate income housing;
- (P) demonstrate utilization of a moderate income housing set aside from a community reinvestment agency, redevelopment agency, or community development and renewal agency to create or subsidize moderate income housing;
- (Q) create a housing and transit reinvestment zone pursuant to Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act;
- (R) eliminate impact fees for any accessory dwelling unit that is not an internal accessory dwelling unit as defined in Section 10-9a-530;
 - (S) create a program to transfer development rights for moderate income housing;
- (T) ratify a joint acquisition agreement with another local political subdivision for the purpose of combining resources to acquire property for moderate income housing;
- (U) develop a moderate income housing project for residents who are disabled or 55 years old or older;
- (V) create or allow for, and reduce regulations related to, multifamily residential dwellings compatible in scale and form with detached single-family residential dwellings and

located in walkable communities within residential or mixed-use zones; and

(W) demonstrate implementation of any other program or strategy to address the housing needs of residents of the county who earn less than 80% of the area median income, including the dedication of a local funding source to moderate income housing or the adoption of a land use ordinance that requires 10% or more of new residential development in a residential zone be dedicated to moderate income housing.

- (iii) If a specified county, as defined in Section 17-27a-408, has created a small public transit district, as defined in Section 17B-2a-802, on or before January 1, 2022, the specified county shall include as part of the specified county's recommended strategies under Subsection (2)(b)(ii) a recommendation to implement the strategy described in Subsection (2)(b)(ii)(Q).
 - (c) In drafting the land use element, the planning commission shall:
- (i) identify and consider each agriculture protection area within the unincorporated area of the county or mountainous planning district;
- (ii) avoid proposing a use of land within an agriculture protection area that is inconsistent with or detrimental to the use of the land for agriculture; and
- (iii) consider and coordinate with any station area plans adopted by municipalities located within the county under Section 10-9a-403.1.
- (d) In drafting the transportation and traffic circulation element, the planning commission shall:
- (i) (A) consider and coordinate with the regional transportation plan developed by the county's region's metropolitan planning organization, if the relevant areas of the county are within the boundaries of a metropolitan planning organization; or
- (B) consider and coordinate with the long-range transportation plan developed by the Department of Transportation, if the relevant areas of the county are not within the boundaries of a metropolitan planning organization; and
- (ii) consider and coordinate with any station area plans adopted by municipalities located within the county under Section 10-9a-403.1.
 - (e) (i) In drafting the implementation plan portion of the moderate income housing

| 506 | element as described in Subsection (2)(a)(iii)(C), the planning commission shall establish a |
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| 507 | timeline for implementing each of the moderate income housing strategies selected by the |
| 508 | county for implementation. |
| 509 | (ii) The timeline described in Subsection (2)(e)(i) shall: |
| 510 | (A) identify specific measures and benchmarks for implementing each moderate |
| 511 | income housing strategy selected by the county; and |
| 512 | (B) provide flexibility for the county to make adjustments as needed. |
| 513 | (f) In drafting the water use and preservation element, the planning commission: |
| 514 | (i) shall consider applicable regional water conservation goals recommended by the |
| 515 | Division of Water Resources; |
| 516 | (ii) shall consult with the Division of Water Resources for information and technical |
| 517 | resources regarding regional water conservation goals, including how implementation of the |
| 518 | land use element and water use and preservation element may affect the Great Salt Lake; |
| 519 | (iii) shall notify the community water systems serving drinking water within the |
| 520 | unincorporated portion of the county and request feedback from the community water systems |
| 521 | about how implementation of the land use element and water use and preservation element may |
| 522 | affect: |
| 523 | (A) water supply planning, including drinking water source and storage capacity |
| 524 | consistent with Section 19-4-114; and |
| 525 | (B) water distribution planning, including master plans, infrastructure asset |
| 526 | management programs and plans, infrastructure replacement plans, and impact fee facilities |
| 527 | plans; |
| 528 | (iv) shall consider the potential opportunities and benefits of planning for |
| 529 | regionalization of public water systems; |
| 530 | (v) shall consult with the Department of Agriculture and Food for information and |
| 531 | technical resources regarding the potential benefits of agriculture conservation easements and |
| 532 | potential implementation of agriculture water optimization projects that would support regional |
| 533 | water conservation goals; |

| 534 | (vi) shall notify an irrigation or canal company located in the county so that the |
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| 535 | irrigation or canal company can be involved in the protection and integrity of the irrigation or |
| 536 | canal company's delivery systems; |
| 537 | [(ii)] (vii) shall include a recommendation for: |
| 538 | (A) water conservation policies to be determined by the county; and |
| 539 | (B) landscaping options within a public street for current and future development that |
| 540 | do not require the use of lawn or turf in a parkstrip; |
| 541 | [(iii)] (viii) shall review the county's land use ordinances and include a |
| 542 | recommendation for changes to an ordinance that promotes the inefficient use of water; |
| 543 | [(iv)] (ix) shall consider principles of sustainable landscaping, including the: |
| 544 | (A) reduction or limitation of the use of lawn or turf; |
| 545 | (B) promotion of site-specific landscape design that decreases stormwater runoff or |
| 546 | runoff of water used for irrigation; |
| 547 | (C) preservation and use of healthy trees that have a reasonable water requirement or |
| 548 | are resistant to dry soil conditions; |
| 549 | (D) elimination or regulation of ponds, pools, and other features that promote |
| 550 | unnecessary water evaporation; |
| 551 | (E) reduction of yard waste; and |
| 552 | (F) use of an irrigation system, including drip irrigation, best adapted to provide the |
| 553 | optimal amount of water to the plants being irrigated; |
| 554 | $\left[\frac{(v)}{(x)}\right]$ may include recommendations for additional water demand reduction |
| 555 | strategies, including: |
| 556 | (A) creating a water budget associated with a particular type of development; |
| 557 | (B) adopting new or modified lot size, configuration, and landscaping standards that |
| 558 | will reduce water demand for new single family development; |
| 559 | (C) providing one or more water reduction incentives for existing landscapes and |
| 560 | irrigation systems and installation of water fixtures or systems that minimize water demand; |
| 561 | (D) discouraging incentives for economic development activities that do not adequately |

| 002 | account for water use of do not include strategies for reducing water demand; and |
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| 563 | (E) adopting water concurrency standards requiring that adequate water supplies and |
| 564 | facilities are or will be in place for new development; and |
| 565 | [(vi)] (xi) shall include a recommendation for low water use landscaping standards for |
| 566 | a new: |
| 567 | (A) commercial, industrial, or institutional development; |
| 568 | (B) common interest community, as defined in Section 57-25-102; or |
| 569 | (C) multifamily housing project. |
| 570 | (3) The proposed general plan may include: |
| 571 | (a) an environmental element that addresses: |
| 572 | (i) to the extent not covered by the county's resource management plan, the protection, |
| 573 | conservation, development, and use of natural resources, including the quality of: |
| 574 | (A) air; |
| 575 | (B) forests; |
| 576 | (C) soils; |
| 577 | (D) rivers; |
| 578 | (E) groundwater and other waters; |
| 579 | (F) harbors; |
| 580 | (G) fisheries; |
| 581 | (H) wildlife; |
| 582 | (I) minerals; and |
| 583 | (J) other natural resources; and |
| 584 | (ii) (A) the reclamation of land, flood control, prevention and control of the pollution |
| 585 | of streams and other waters; |
| 586 | (B) the regulation of the use of land on hillsides, stream channels and other |
| 587 | environmentally sensitive areas; |
| 588 | (C) the prevention, control, and correction of the erosion of soils; |
| 589 | (D) the preservation and enhancement of watersheds and wetlands; and |

| 590 | (E) the mapping of known geologic hazards; |
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| 591 | (b) a public services and facilities element showing general plans for sewage, water, |
| 592 | waste disposal, drainage, public utilities, rights-of-way, easements, and facilities for them, |
| 593 | police and fire protection, and other public services; |
| 594 | (c) a rehabilitation, redevelopment, and conservation element consisting of plans and |
| 595 | programs for: |
| 596 | (i) historic preservation; |
| 597 | (ii) the diminution or elimination of a development impediment as defined in Section |
| 598 | 17C-1-102; and |
| 599 | (iii) redevelopment of land, including housing sites, business and industrial sites, and |
| 600 | public building sites; |
| 501 | (d) an economic element composed of appropriate studies and forecasts, as well as an |
| 502 | economic development plan, which may include review of existing and projected county |
| 503 | revenue and expenditures, revenue sources, identification of basic and secondary industry, |
| 504 | primary and secondary market areas, employment, and retail sales activity; |
| 505 | (e) recommendations for implementing all or any portion of the general plan, including |
| 506 | the adoption of land and water use ordinances, capital improvement plans, community |
| 507 | development and promotion, and any other appropriate action; |
| 608 | (f) provisions addressing any of the matters listed in Subsection 17-27a-401(2) or |
| 509 | (3)(a)(i); and |
| 510 | (g) any other element the county considers appropriate. |
| 511 | Section 4. Section 19-4-106 is amended to read: |
| 512 | 19-4-106. Director Appointment Authority. |
| 513 | (1) The executive director shall appoint the director. The director shall serve under the |
| 514 | administrative direction of the executive director. |
| 515 | (2) The director shall: |
| 516 | (a) develop programs to promote and protect the quality of the public drinking water |

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supplies of the state;

618 (b) advise, consult, and cooperate with other agencies of this and other states, the 619 federal government, and with other groups, political subdivisions, and industries in furtherance 620 of the purpose of this chapter; 621 (c) review plans, specifications, and other data pertinent to proposed or expanded water 622 supply systems to ensure proper design and construction; and 623 (d) subject to the provisions of this chapter, enforce rules made by the board through 624 the issuance of orders that may be subsequently revoked, which orders may require: 625 (i) discontinuance of use of unsatisfactory sources of drinking water; 626 (ii) suppliers to notify the public concerning the need to boil water; or 627 (iii) suppliers in accordance with existing rules, to take remedial actions necessary to protect or improve an existing water system; and 628 629 (e) as authorized by the board and subject to the provisions of this chapter, act as 630 executive secretary of the board under the direction of the chair of the board. (3) The director may authorize employees or agents of the department, after reasonable 631 notice and presentation of credentials, to enter any part of a public water system at reasonable 632 633 times to inspect the facilities and water quality records required by board rules, conduct sanitary surveys, take samples, and investigate the standard of operation and service delivered 634 635 by public water systems. 636 (4) As provided in this chapter and in accordance with rules made by the board, the director may: 637 (a) [the director may] issue and enforce a notice of violation and an administrative 638 order: and 639 640 (b) [the director may] assess and make a demand for payment of an administrative 641 penalty arising from a violation of this chapter, a rule or order issued under the authority of this 642 chapter, or the terms of a permit or other administrative authorization issued under the 643 authority of this chapter.

(5) (a) The director shall study how water providers, municipalities, counties, and state

agencies may find greater efficiencies through improved coordination, consolidation, and

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| 040 | regionalization related to: | | |
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| 647 | (i) water use and conservation; and | | |
| 648 | (ii) administrative and economic efficiencies. | | |
| 649 | (b) The study under this Subsection (5) shall consider recommendations including | | |
| 650 | incentives, funding, regulatory changes, and statutory changes to promote greater coordination | | |
| 651 | and efficiency and to help meet water infrastructure needs statewide. | | |
| 652 | (c) The director shall: | | |
| 653 | (i) conduct the study in conjunction with the Division of Water Resources; and | | |
| 654 | (ii) consult with a diverse group consisting of water providers, state agencies, local | | |
| 655 | governments, and relevant stakeholders to help the director conduct the study and develop | | |
| 656 | recommendations described in this Subsection (5). | | |
| 657 | (d) On or before October 30, 2024, the director shall provide a written report of the | | |
| 658 | study's findings, including any recommended legislative action, to the Natural Resources, | | |
| 659 | Agriculture, and Environment Interim Committee. | | |
| 660 | Section 5. Section 19-4-114 is amended to read: | | |
| 661 | 19-4-114. Source and storage minimum sizing requirements for public water | | |
| 662 | systems. | | |
| 663 | (1) (a) Except as provided in Subsection (1)(b), upon submission of plans for a | | |
| 664 | substantial addition to or alteration of a community water system, the director shall establish | | |
| 665 | system-specific source and storage minimum sizing requirements for a community water | | |
| 666 | system serving a population of more than 3,300 based on at least the most recent three years of | | |
| 667 | a community water system's actual water use data submitted in accordance with Subsections | | |
| 668 | 19-4-104(1)(c)(iv) and (v). | | |
| 669 | (b) If the water use data required under Subsection 19-4-104(1)(c)(iv) is not available | | |
| 670 | to the division, or if the community water system determines that the data submitted does not | | |
| 671 | represent future system use, the director may establish source and storage minimum sizing | | |
| 672 | requirements for the community water system based on: | | |
| 673 | (i) an engineering study submitted by the community water system and accepted by the | | |

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| 674 | director; or |
| 675 | (ii) at least three years of historical water use data that is: |
| 676 | (A) submitted by the community water system; and |
| 677 | (B) accepted by the director. |
| 678 | (c) A community water system serving a population of more than 3,300 shall provide |
| 679 | the information necessary to establish the system-specific standards described in this |
| 680 | Subsection (1) by no later than March 1, 2019. |
| 681 | (2) (a) By no later than October 1, 2023, and except as provided in Subsection (2)(b), |
| 682 | the director shall establish system-specific source and storage minimum sizing requirements for |
| 683 | a community water system serving a population of between 500 and no more than 3,300 based |
| 684 | on at least the most recent three years of a community water system's actual water use data |
| 685 | submitted in accordance with Subsections 19-4-104(1)(c)(iv) and (v). |
| 686 | (b) If the water use data required under Subsection 19-4-104(1)(c)(iv) is not available |
| 687 | to the division, or if the community water system determines that the data submitted does not |
| 688 | represent future system use, the director may establish source and storage minimum sizing |
| 689 | requirements for the community water system based on: |
| 690 | (i) an engineering study submitted by the community water system and accepted by the |
| 691 | director; or |
| 692 | (ii) at least three years of historical water use data that is: |
| 693 | (A) submitted by the community water system; and |
| 694 | (B) accepted by the director. |
| 695 | (c) A community water system serving a population of between 500 and no more than |
| 696 | 3,300 shall provide the information necessary to establish system-specific standards described |
| 697 | in this Subsection (2) by no later than March 1, 2023. |
| 698 | (3) The director shall establish system-specific source and storage minimum sizing |

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requirements for a community water system serving a population of fewer than 500 based on:

data submitted to the division and accepted by the director;

(a) at least the most recent three years of a community water system's actual water use

702 (b) an engineering study submitted by the community water system and accepted by the 703 director; 704 (c) standards, comparable to those of established community water systems, as 705 determined by the director; or 706 (d) relevant information, as determined by the director. 707 (4) The director shall: 708 (a) for community water systems described in Subsection (3), establish a schedule to 709 transition from statewide sizing standards to system-specific standards; 710 (b) establish minimum sizing standards for public water systems that are not 711 community water systems; (c) provide for the routine evaluation of changes to the system-specific standards; and 712 713 (d) include, as part of system-specific standards, necessary fire storage capacity in 714 accordance with the state fire code adopted under Section 15A-1-403 and as determined by the 715 local fire code official. 716 (5) The director may adjust system-specific sizing standards, established under this 717 section for a public water system, based on information submitted by the public water system 718 addressing the effect of any wholesale water deliveries or other system-specific conditions 719 affecting infrastructure needs. (6) [A] Except as provided for under Subsection (7), a wholesale water supplier is 720 721 exempt from this section if the wholesale water supplier serves: (a) a total population of more than 10,000; and 722 (b) a wholesale population that is 75% or more of the total population served. 723 724 (7) Upon request of a wholesale water supplier and the community water systems 725 receiving water from the wholesale water supplier, the director may establish regional source 726 and storage minimum sizing standards for community water systems receiving water from the

wholesale water supplier using actual water use data submitted by the wholesale water supplier

(8) The director may adjust system-specific sizing standards established under this

and the community water systems served by the wholesale water supplier.

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| 730 | section for a public water system based on adopted enforceable water conservation measures | | | |
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| 731 | that are consistent with regional water conservation goals adopted pursuant to Subsection | | | |
| 732 | 73-10-32(2)(d)(ii)(A) or (B). | | | |
| 733 | Section 6. Section 73-3-3.5 is amended to read: | | | |
| 734 | 73-3-3.5. Application for a change of point of diversion, place of use, or purpose | | | |
| 735 | of use of water in a water company made by a shareholder. | | | |
| 736 | (1) As used in this section: | | | |
| 737 | (a) "Shareholder" means the owner of a share of stock, or other evidence of stock | | | |
| 738 | ownership, that entitles the person to a proportionate share of water in a water company. | | | |
| 739 | (b) "Water company" means, except as described in Subsection (1)(c), any company, | | | |
| 740 | operating for profit or not for profit, where a shareholder has the right to receive a | | | |
| 741 | proportionate share, based on that shareholder's ownership interest, of water delivered by the | | | |
| 742 | company. | | | |
| 743 | (c) "Water company" does not include a public water supplier, as defined in Section | | | |
| 744 | 73-1-4. | | | |
| 745 | (2) (a) A shareholder who seeks to file a change application under Section 73-3-3 to | | | |
| 746 | make a change to some or all of the water rights represented by the shareholder's shares in a | | | |
| 747 | water company shall: | | | |
| 748 | (i) prepare a proposed change application on forms furnished by the state engineer; and | | | |
| 749 | (ii) provide the proposed change application to the water company by personal delivery | | | |
| 750 | with a signed receipt, certified mail, or electronic mail with confirmation of receipt. | | | |
| 751 | (b) The water company and the shareholder shall cooperate in supplying information | | | |
| 752 | relevant to preparation or correction of the shareholder's change application. | | | |
| 753 | (c) In addition to the information required under Section 73-3-3, the proposed change | | | |
| 754 | application shall include: | | | |
| 755 | (i) the certificate number of the stock affected by the change; | | | |
| 756 | (ii) a description of the land proposed to be retired from irrigation in accordance with | | | |
| 757 | Section 73-3-3, if the proposed change in place or nature of use of the water involves a | | | |

situation where the water was previously used for irrigation;

- (iii) an agreement by the shareholder to continue to pay all applicable corporate assessments on the share affected by the change; and
- (iv) any other information that the water company may reasonably need to evaluate the proposed change application.
- (3) (a) [The water company shall respond to the proposed change application described in Subsection (2) within 120 days after the day on which the water company receives the proposed change application.] The water company shall respond to the proposed change application described in Subsection (2) within:
- (i) for a permanent change application, 120 days after the day on which the water company receives the proposed change application; or
- (ii) for a temporary change application, 60 days after the day on which the water company receives the proposed change application.
- (b) The water company's response to the proposed change application shall be in writing and shall:
 - (i) consent to the proposed change;
- (ii) consent to the proposed change, subject to certain conditions described by the water company; or
- (iii) decline to consent to the proposed change, describing the reasons for declining to consent.
- (c) If the water company fails to timely respond, as described in Subsection (3)(a), the failure to respond shall be considered the water company's consent to the proposed change application and the shareholder may file the change application with the state engineer.
- (4) (a) In reviewing a shareholder's proposed change application, a water company may consider:
- (i) whether an increased cost to the water company or its shareholders results from the proposed change;
 - (ii) whether the proposed change will interfere with the water company's ability to

manage and distribute water for the benefit of all shareholders;

(iii) whether the proposed change represents more water than the shareholder's proportionate share of the water company's right;

- (iv) whether the proposed change would create preferential access to use of particular company water rights to the detriment of other shareholders;
- (v) whether the proposed change will impair the quantity or quality of water delivered to other shareholders under the existing water rights of the water company, including rights to carrier water;
- (vi) whether the proposed change violates a statute, ordinance, regulation, or order of a court or government agency;
- (vii) if applicable, whether the shareholder has or can arrange for the beneficial use of water to be retired from irrigation within the water company's service area under the proposed change; and
- (viii) the cumulative effects that the approval of the change application may have on other shareholders or water company operations.
- (b) The water company may not withhold consent if any potential damage, liability, or impairment to the water company, or its shareholders, can be reasonably mitigated without cost to the water company.
- (c) The water company may require the shareholder to pay all reasonable and necessary costs associated with the change application, but may not impose unreasonable exactions.
- (5) (a) If the water company declines to consent to the proposed change application, stating its reasons, the shareholder may file an action in district court, seeking court review of the reasonableness of the conditions imposed for giving consent or the reasons stated for declining consent and a final order allowing the shareholder to file the proposed change application with the state engineer.
- (b) If the water company consents to the proposed change application subject to conditions to which the shareholder does not agree, the shareholder may file the change application with the state engineer as provided in Subsection (6), without waiving the

shareholder's right to contest conditions set by the water company under Subsection (3)(b)(ii).

- (c) During or after the completion of the proceeding before the state engineer commenced under Subsection (6), the shareholder may file an action in district court seeking court review of the reasonableness of the conditions imposed by the water company for giving consent.
 - (d) In an action brought under Subsection (5)(a), (b), or (c), the court:
- (i) shall refer the parties to mediation under Title 78B, Chapter 6, Part 2, Alternative Dispute Resolution Act, unless one or both parties decline mediation; and
- (ii) may award costs and reasonable attorney fees to the prevailing party if mediation does not occur because the other party declined to participate in mediation.
- (6) If the water company consents to the proposed change, the water company fails to respond as required by Subsection (3)(a), the court has entered an order described in Subsection (5)(a), or the water company consents to the proposed change subject to conditions to which the shareholder does not agree, as described in Subsection (5)(b), the shareholder may commence an administrative proceeding by filing the change application with the state engineer in accordance with Section 73-3-3 and this section.
- (7) The shareholder shall include as part of the change application filed with the state engineer under Subsection (5)(b) or (6):
 - (a) the water company's response to the shareholder's proposed change application;
- (b) if applicable, an affidavit signed by the shareholder documenting the water company's failure to respond in the time period described in Subsection (3)(a); or
 - (c) if applicable, the court order described in Subsection (5)(a).
- (8) (a) The state engineer shall evaluate a shareholder's change application in the same manner used to evaluate a change application submitted under Section 73-3-3, using the criteria described in Section 73-3-8.
- (b) Nothing in this section limits the authority of the state engineer in evaluating and processing a change application, including the authority to require or allow a shareholder or water company to submit additional relevant information, if the state engineer finds an absence

of prejudice and allows adequate time and opportunity for the other party to respond.

(9) If the state engineer approves a shareholder's change application, the state engineer may, for shares included in the approval, require that the shareholder requesting the change be current on all water company assessments and continue to pay all reasonably applicable future assessments, with credit given to the shareholder for any cost savings to the company resulting from the change.

- (10) By mutual agreement only, and when the shares will rely upon a different diversion and delivery system, the water company and the shareholder may negotiate a buyout from the water company that may include a pro rata share of the water company's existing indebtedness assignable to the shares.
- (11) After an application has been approved by the state engineer, the shareholder may file requests for extensions of time to submit proof of beneficial use under the change application without further involvement of the water company.
- (12) If, after a proposed change has been approved and gone into effect, a shareholder fails to substantially comply with a condition described in Subsection (9), or any condition reasonably imposed by the company and agreed to by the shareholder, and neglects to remedy the failure after written notice from the water company that allows the shareholder a reasonable opportunity to remedy the failure, no less than 90 days after the day on which the water company gives notice, the water company may petition the state engineer to order a reversal of the change application approval.
- (13) (a) The shareholder requesting the change shall have a cause of action, including an award of actual damages incurred, against the water company if the water company:
 - (i) unreasonably withholds approval of a requested change;
 - (ii) imposes unreasonable conditions in its approval; or
- (iii) withdraws approval of a change application in a manner other than as provided in Subsection (12).
 - (b) The court may award costs and reasonable attorney fees:
- (i) to the shareholder if the court finds that the water company acted in bad faith when

| 870 | it declined to consent to the proposed change or conditioned its consent on excessive exactions | | | |
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| 871 | or unreasonable conditions; or | | | |
| 872 | (ii) to the water company if it finds that the shareholder acted in bad faith in refusing to | | | |
| 873 | accept conditions reasonably necessary to protect other shareholders if the shareholder's change | | | |
| 874 | application is approved. | | | |
| 875 | Section 7. Section 73-10-32 is amended to read: | | | |
| 876 | 73-10-32. Definitions Water conservation plan required. | | | |
| 877 | (1) As used in this section: | | | |
| 878 | (a) "Division" means the Division of Water Resources created under Section 73-10-18. | | | |
| 879 | (b) "Water conservancy district" means an entity formed under Title 17B, Chapter 2a, | | | |
| 880 | Part 10, Water Conservancy District Act. | | | |
| 881 | (c) "Water conservation plan" means a written document that contains existing and | | | |
| 882 | proposed water conservation measures describing what will be done by a water provider, and | | | |
| 883 | the end user of culinary water to help conserve water in the state in terms of per capita use of | | | |
| 884 | water provided through culinary water infrastructure owned or operated by the water provider | | | |
| 885 | so that adequate supplies of water are available for future needs. | | | |
| 886 | (d) "Water provider" means: | | | |
| 887 | (i) a retail water supplier, as defined in Section 19-4-102; or | | | |
| 888 | (ii) a water conservancy district. | | | |
| 889 | (2) (a) A water conservation plan shall contain: | | | |
| 890 | (i) (A) a clearly stated overall water use reduction goal that is consistent with | | | |
| 891 | Subsection (2)(d); and | | | |
| 892 | (B) an implementation plan for each water conservation measure a water provider | | | |
| 893 | chooses to use, including a timeline for action and an evaluation process to measure progress; | | | |
| 894 | (ii) a requirement that a notification procedure be implemented that includes the | | | |
| 895 | delivery of the water conservation plan to the media and to the governing body of each | | | |
| 896 | municipality and county served by the water provider; | | | |

(iii) a copy of the minutes of the meeting regarding a water conservation plan and the

| 898 | notification procedure required in Subsection (2)(a)(ii) that shall be added as an appendix to the | | |
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| 899 | water conservation plan; and | | |
| 900 | (iv) for a retail water supplier, as defined in Section 19-4-102, the retail water | | |
| 901 | supplier's rate structure that is: | | |
| 902 | (A) adopted by the retail water supplier's governing body in accordance with Section | | |
| 903 | 73-10-32.5; and | | |
| 904 | (B) current as of the day the retail water supplier files a water conservation plan. | | |
| 905 | (b) A water conservation plan may include information regarding: | | |
| 906 | (i) the installation and use of water efficient fixtures and appliances, including toilets, | | |
| 907 | shower fixtures, and faucets; | | |
| 908 | (ii) residential and commercial landscapes and irrigation that require less water to | | |
| 909 | maintain; | | |
| 910 | (iii) more water efficient industrial and commercial processes involving the use of | | |
| 911 | water; | | |
| 912 | (iv) water reuse systems, both potable and not potable; | | |
| 913 | (v) distribution system leak repair; | | |
| 914 | (vi) dissemination of public information regarding more efficient use of water, | | |
| 915 | including public education programs, customer water use audits, and water saving | | |
| 916 | demonstrations; | | |
| 917 | (vii) water rate structures designed to encourage more efficient use of water; | | |
| 918 | (viii) statutes, ordinances, codes, or regulations designed to encourage more efficient | | |
| 919 | use of water by means such as water efficient fixtures and landscapes; | | |
| 920 | (ix) incentives to implement water efficient techniques, including rebates to water | | |
| 921 | users to encourage the implementation of more water efficient measures; [and] | | |
| 922 | (x) regional conservation planning and shared shortage agreements; and | | |
| 923 | [(x)] (xi) other measures designed to conserve water. | | |
| 924 | (c) The division may be contacted for information and technical resources regarding | | |
| 925 | measures listed in Subsection (2)(b). | | |

| 926 | (d) (i) The division shall adopt by rule, made in accordance with Title 63G, Chapter 3, |
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| 927 | Utah Administrative Rulemaking Act, regional water conservation goals that: |
| 928 | (A) are developed by the division; |
| 929 | (B) take into consideration goals established in the Colorado River management plan |
| 930 | adopted pursuant to Section 63M-14-204; |
| 931 | (C) for areas in the Great Salt Lake watershed, take into consideration the Great Salt |
| 932 | Lake, including the water budget associated with the integrated surface and ground water |
| 933 | assessment described in Section 73-10g-402; |
| 934 | (D) take into consideration how growth and regional conservation goals impact |
| 935 | agriculture water use; |
| 936 | [(B)] (E) are reevaluated by December 31, 2030, and every 10 years after December |
| 937 | 31, 2030; and |
| 938 | [(C)] (F) define what constitutes "water being conserved" under a water conservation |
| 939 | goal after considering factors such as depletion, diversion, use, consumption, or return flows. |
| 940 | (ii) As part of a water conservation plan, a water provider shall adopt one of the |
| 941 | following: |
| 942 | (A) the regional water conservation goal applicable to the water provider; |
| 943 | (B) a water conservation goal that would result in more water being conserved than |
| 944 | would be conserved under the regional water conservation goal; or |
| 945 | (C) a water conservation goal that would result in less water being conserved than |
| 946 | would be conserved under the regional water conservation goal with a reasonable justification |
| 947 | as to why the different water conservation goal is adopted and an explanation of the factors |
| 948 | supporting the reasonable justification, such as demographics, geography, lot sizes, make up of |
| 949 | water service classes, or availability of secondary water. |
| 950 | (3) (a) A water provider shall: |
| 951 | (i) prepare and adopt a water conservation plan; and |
| 952 | (ii) file a copy of the water conservation plan with the division. |
| 953 | (b) (i) Before adopting or amending a water conservation plan, a water provider shall |

hold a public hearing with reasonable, advance public notice in accordance with this Subsection (3)(b).

- (ii) The water provider shall provide public notice at least 14 days before the date of the public hearing.
- (iii) A water provider meets the requirements of reasonable notice required by this Subsection (3)(b) if the water provider posts notice of the public hearing in at least three public places within the service area of the water provider and:
- (A) if the water provider is a public entity, posts notice on the Utah Public Notice Website, created in Section 63A-16-601; or
- (B) if the water provider is a private entity and has a public website, posts notice on the water provider's public website.
- (iv) Proof that notice described in Subsection (3)(b)(iii) was given is prima facie evidence that notice was properly given.
- (v) If notice given under authority of this Subsection (3)(b) is not challenged within 30 days from the date of the public hearing for which the notice was given, the notice is considered adequate and proper.
 - (c) A water provider shall:

- (i) post the water provider's water conservation plan on a public website; or
- (ii) if the water provider does not have a public website, make the water provider's water conservation plan [publically] publicly available for inspection upon request.
 - (4) (a) The division shall:
- (i) provide guidelines and technical resources to help water providers prepare and implement water conservation plans;
 - (ii) assist water providers by identifying water conservation methods upon request; and
- (iii) provide an online submission form that allows for an electronic copy of the water conservation plan to be filed with the division under Subsection (3)(a)(ii).
- (b) The division shall post an annual report at the end of a calendar year listing water providers in compliance with this section.

| 982 | (5) A water provider may only receive state funds for water development if the water | | | |
|------|---|--|--|--|
| 983 | provider complies with the requirements of this section. | | | |
| 984 | (6) A water provider specified under Subsection (3)(a) shall: | | | |
| 985 | (a) update the water provider's water conservation plan no less frequently than every | | | |
| 986 | five years; and | | | |
| 987 | (b) follow the procedures required under Subsection (3) when updating the water | | | |
| 988 | conservation plan. | | | |
| 989 | (7) It is the intent of the Legislature that the water conservation plans, amendments to | | | |
| 990 | existing water conservation plans, and the studies and report by the division be handled within | | | |
| 991 | the existing budgets of the respective entities or agencies. | | | |
| 992 | Section 8. Section 73-10-36 is amended to read: | | | |
| 993 | 73-10-36. Division to provide technical assistance in local government planning. | | | |
| 994 | (1) As used in this section: | | | |
| 995 | (a) "Division" means the Division of Water Resources. | | | |
| 996 | (b) "General plan": | | | |
| 997 | (i) for a municipality, means the same as that term is defined in Section 10-9a-103; and | | | |
| 998 | (ii) for a county, means the same as that term is defined in Section 17-27a-103. | | | |
| 999 | (c) "Local government" means a county or a municipality, as defined in Section | | | |
| 1000 | 10-1-104. | | | |
| 1001 | (d) "Watershed council" means a council created under Chapter 10g, Part 3, Watershed | | | |
| 1002 | Councils Act. | | | |
| 1003 | (2) The division [may] shall provide technical assistance to a local government to | | | |
| 1004 | support the local government's adoption of a water use and preservation element in a general | | | |
| 1005 | plan. | | | |
| 1006 | (3) When consulted by a local government for information and technical resources | | | |
| 1007 | regarding regional water conservation goals under Subsection 10-9a-403(2)(f)(vi) or | | | |
| 1008 | 17-27a-403(2)(f)(ii), the division may seek input from the appropriate watershed council or | | | |
| 1009 | councils. | | | |

| 1010 | Section 9. Section 73-10c-3 is amended to read: | |
|------|---|--|
| 1011 | 73-10c-3. Water Development Coordinating Council created Purpose | |
| 1012 | Members. | |
| 1013 | (1) (a) There is created within the Department of Natural Resources a Water | |
| 1014 | Development Coordinating Council. The council is comprised of: | |
| 1015 | (i) the director of the Division of Water Resources; | |
| 1016 | (ii) the executive secretary of the Water Quality Board; | |
| 1017 | (iii) the executive secretary of the Drinking Water Board; | |
| 1018 | (iv) the director of the Housing and Community Development Division or the director's | |
| 1019 | designee; [and] | |
| 1020 | (v) the state treasurer or the state treasurer's designee[:]; and | |
| 1021 | (vi) the commissioner of the Department of Agriculture and Food, or the | |
| 1022 | commissioner's designee. | |
| 1023 | (b) The council shall choose a chair and vice chair from among [its] the council's own | |
| 1024 | members. | |
| 1025 | (c) A member may not receive compensation or benefits for the member's service, but | |
| 1026 | may receive per diem and travel expenses in accordance with: | |
| 1027 | (i) Section 63A-3-106; | |
| 1028 | (ii) Section 63A-3-107; and | |
| 1029 | (iii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and | |
| 1030 | 63A-3-107. | |
| 1031 | (2) The purposes of the council are to: | |
| 1032 | (a) coordinate the use and application of the funds available to the state to give | |
| 1033 | financial assistance to political subdivisions of this state so as to promote the conservation, | |
| 1034 | development, treatment, restoration, and protection of the waters of this state; | |
| 1035 | (b) promote the coordination of the financial assistance programs administered by the | |
| 1036 | state and the use of the financing alternative most economically advantageous to the state and | |
| 1037 | its political subdivisions; | |

| 1038 | (c) promote the consideration by the Board of Water Resources, Drinking Water | |
|------|--|--|
| 1039 | Board, and Water Quality Board of regional solutions to the water and wastewater needs of | |
| 1040 | individual political subdivisions of this state; | |
| 1041 | (d) assess the adequacy and needs of the state and its political subdivisions with respect | |
| 1042 | to water-related infrastructures and advise the governor and the Legislature on those funding | |
| 1043 | needs; and | |
| 1044 | (e) conduct reviews and reports on water-related infrastructure issues as directed by | |
| 1045 | statute. | |
| 1046 | Section 10. Section 73-10c-11 is enacted to read: | |
| 1047 | 73-10c-11. Actions related to coordination of growth and conservation planning. | |
| 1048 | (1) (a) The council shall identify how different agencies may work together to assist the | |
| 1049 | following in coordinating growth and conservation planning related to water: | |
| 1050 | (i) municipalities, as defined in Section 10-1-104; | |
| 1051 | (ii) counties; | |
| 1052 | (iii) water conservancy districts, as defined in Section 17B-1-102; and | |
| 1053 | (iv) public water systems, as defined in Section 19-4-102. | |
| 1054 | (b) To comply with Subsection (1)(a), the council shall consider Sections 10-9a-403, | |
| 1055 | 17-27a-403, 19-4-114, and 73-10-32. | |
| 1056 | (2) The council shall identify incentives that are most effective to help the entities | |
| 1057 | described in Subsection (1) to, where feasible: | |
| 1058 | (a) develop and implement conservation plans; and | |
| 1059 | (b) regionalize water systems. | |
| 1060 | Section 11. Appropriation. | |
| 1061 | The following sums of money are appropriated for the fiscal year beginning July 1, | |
| 1062 | 2023, and ending June 30, 2024. These are additions to amounts previously appropriated for | |
| 1063 | fiscal year 2024. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures | |
| 1064 | Act, the Legislature appropriates the following sums of money from the funds or accounts | |
| 1065 | indicated for the use and support of the government of the state of Utah | |

Enrolled Copy S.B. 76 1066 ITEM 1 1067 To the Department of Natural Resources -- Water Resources 1068 From General Fund \$130,000 1069 From General Fund, One-time \$500,000 1070 Schedule of Programs: 1071 Planning \$630,000 1072 The Legislature intends that: 1073 (1) the Division of Water Resources use the one-time appropriation included in this 1074 item to provide water conservation planning grants to cities, counties, districts, and water 1075 providers, and to fund technical support for coordinated planning; 1076 (2) the one-time appropriation be nonlapsing; and 1077 (3) the ongoing General Fund included in this item be used by the Division of Water Resources to assist cities, counties, districts, and water providers with coordinated water 1078 1079 planning. 1080 ITEM 2 1081 To the Department of Environmental Quality -- Drinking Water 1082 From General Fund \$130,000 1083 Schedule of Programs: 1084 System Assistance \$130,000 1085 The Legislature intends that the ongoing General Fund included in this item be used by the Division of Drinking Water to assist cities, counties, districts, and water providers with 1086 1087 coordinated water planning. 1088 ITEM 3 To the Department of Agriculture and Food -- Resource Conservation 1089 1090 From General Fund \$130,000 1091 Schedule of Programs:

The Legislature intends that the ongoing General Fund included in this item be used by

\$130,000

Resource Conservation

1092

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| 1094 | the Division of Conservation to assist cities, counties, districts, and water provide | rs with |
| 1095 | coordinated water planning. | |
| 1096 | Section 12. Effective date. | |
| 1097 | (1) Except as provided in Subsection (2), this bill takes effect on May 3, 2 | 2023. |
| 1098 | (2) The amendments to Section 73-3-3.5 in this bill take effect on March | 1, 2024. |